



March 2004



SCHOOL FINANCE UPDATE

A Monthly Newsletter Published by the School Finance Division

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Linda McCulloch, State Superintendent

This monthly newsletter is emailed to school districts, county superintendents, county treasurers, and auditors. The newsletter is intended to reach all district staff involved in budgeting, accounting, enrollment, special education funding, and federal programs. Please forward this information to all interested parties. Got suggestions for items to include here? We'd love to hear from you!

Budget Data Sheets Issued March 1

Preliminary Budget Data Sheets for FY 2004-05 containing ANB, Direct State Aid, Guaranteed Tax Base (GTB), and special education block grant rates are posted on the OPI Website. OPI sent each district an email message notifying them the files were posted on the OPI Website at the following location:

<http://www.metnet.state.mt.us/schoolfinance/000D9D9-80000007/00019DAF-80000007/>
OPI Contact: Nica Carte (406) 444-4401 or ncarte@state.mt.us.

1st Semester Transportation Payments

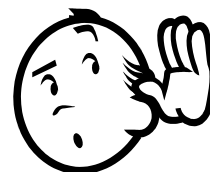


OPI made the 1st semester transportation aid payment on March 25. The payment appears on the same document that shows the monthly Direct State Aid and State Special Ed payments. As usual, OPI sent an official email to notify you of the payment.

At the time you receive the state payment, the county will pay you its portion of the 1st semester payment, too. The 2nd semester payment will be made June 25. Contact: Maxine Mougeot (406)444-3096 or mmougeot@state.mt.us.

Hearing Held on SB 424 and Impact Aid

Representatives of the Federal Impact Aid Program held a hearing in Helena on March 23, 2004, concerning whether SB 424's requirement for paying retirement benefits for Federally paid employees is contrary to the Federal Impact Aid regulations. Impact Aid regulations disallow reductions of state funding for school districts based on their receipt of Impact Aid money.



Mark Smith and Cathy Schagh represented the Federal Impact Aid Program. Testimony was presented by several school districts,

including Heart Butte, Browning, Rocky Boy, and Poplar. Organizations that presented testimony included the Governor's

Reopening a School Next Year?

Deadline for application is June 1 (MCA 20-9-213)
Contact Tal Redpath,
(406) 444-3024

Office, OPI, School Administrators of Montana, Montana School Boards Association, MEA-MFT, and Indian Impact Schools of Montana. Senator Robert Story testified to explain the legislative perspective on SB 424. The hearing lasted approximately 2-1/2 hours. The Impact Aid Program will accept written comments for 30 days from the hearing date.

Submit comments to: Catherine Schagh,
Director Impact Aid Program, US Dept of
Education, 400 Maryland Ave SW,
Washington, DC 20202.

A video of the Federal Impact Aid Hearing is
available by clicking on the following link:
<http://www.opi.state.mt.us/streamer/ImpactAid/>

The hearing transcript will be posted on the
OPI website when it becomes available. The
Impact Aid Program indicated they intend to
issue a determination letter in May 2004.

OPI Contact: Tal Redpath, (406) 444-3024 or
fredpath@state.mt.us.



Correction RE: Taxable Percentage of Real Property

On March 26, OPI reposted the FY05 General
Fund Excel Spreadsheets to correct an error
on the "Impacts of Tax Incr" tab. The
percentage of taxable valuation was
incorrectly listed as 3.400%. The correct
percentage is 3.300%. This change was
overlooked in reviewing the changes that
occurred in the 2003 Legislative Session. The
official email sent to all districts lists
instructions to either change your previous
spreadsheet to update the value or download
a new version of the file to use. If you are not
running a levy election of any kind, this
information is not necessary and you do not
need to correct the spreadsheet.

OPI Contact: Joan Anderson at (406) 444-
1960 or janderson@state.mt.us.

*Enthusiasm is traveling to work Monday
morning at the same speed you go home
on Friday afternoon. -- Joe Heuer*

New Tool Posted on the Web – Reconciling with Treasurer

Tired of getting dinged by the auditor for not
reconciling cash to the county treasurer each
month? Help is here! Check out the
"Reconciling to the County Treasurer" Excel
spreadsheet now available on OPI's website.

Special features include: 1) separate pages for
each fund, 2) all months of the fiscal year on
each page, and 3) a cash recap page that
automatically shows each fund's ending cash
balance for each month of the fiscal year!
There's even an instruction page to tell you
how to use the spreadsheet and tailor it to
your specific needs. So, quit banging on the
calculator keys and try it out.

The new spreadsheet is located at:
[http://www.opi.state.mt.us/pdf/SchoolFinance/
Balance to CoTreas 03 04.xls](http://www.opi.state.mt.us/pdf/SchoolFinance/Balance%20to%20CoTreas%2003%2004.xls) Questions?
Contact Denise Ulberg at (406) 444-0783 or
dulberg@state.mt.us.

FY05 Indirect Cost Rate Applications

Applications for indirect cost rates for FY2004-
05 are available on the OPI website. Please
return the signed applications to OPI by the
end of May. Indirect cost rates are OPTIONAL,
but a district must have a rate approved by
OPI each year in order to draw indirect cost
recoveries off state and federal grants.

Your district might want to have an indirect
cost rate in FY05 even if you have never
applied before. One reason is that
accumulated vacation and sick leave payouts
for Federal employees can't be paid using the
grant but may be charged to the indirect cost
pool. OPI Contact: Jim Oberembt (406) 444-
1257 or joberembt@state.mt.us.

Student Attendance Agreement Forms Available On-Line

FP-14 Student Attendance Agreement

[<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/FP14.pdf>]. This is the standard form required for any student (or group of students) attending school outside their district of residence. FP-14A is an attachment for special education rates and high cost programs.

FP-14A Special Tuition Rates

[<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/FP14a.pdf>] Use this form to report the calculation of special education rates and rates of high-cost programs for students without disabilities. The form calculates special rates under ARM 10.16.3818 for special education and under MCA 20-5-323(3) for high-cost students without disabilities placed by a state agency or court.

OPI Contact: Mike Waterman, (406) 444 – 4524 or mwaterman@state.mt.us.



What is the deadline for determining the dollar amount of the General Fund tax levy election?

By April 9, 2004, the trustees must have determined the amount that will appear on the General Fund election ballot. On that date, the ballot must be certified (i.e., be in its final form and be delivered to the election administrator, if that is a person other than the clerk).

By April 14, the trustees must post the notice of the election, including the information required by 20-20-204, MCA: 1) the date and polling places of the election, 2) polling place hours, 3) each proposition to be considered by the electorate, and 4) where and how

absentee ballots may be obtained. For the trustees' election, you must also state 5) the number of trustee positions, if any, subject to election and the length of the terms for those positions.

OPI Contact: Mike Waterman at (406) 444-4524 or mwaterman@state.mt.us.

NCLB Increases Data Collection Requirements for 2004-05: Disaggregated Enrollment and Attendance Data

The No Child Left Behind legislation requires significantly more data reporting from schools, districts, and the state to the federal government than at any time in the past. One of the new data requirements for 2004-05 will be the collection of disaggregated enrollment and attendance data from schools and districts.



Beginning in October 2004, the Office of Public Instruction will require schools to report enrollment data by grade for the following subgroups:

- Gender: Male and Female
- Racial/Ethnic Categories: American Indian/Alaskan Native, Asian, Black, Hispanic, Native Hawaiian/Pacific Islander, White
- Limited English Proficient students
- Economically Disadvantaged students: Free and Reduced Lunch eligible
- Students with Disabilities
- Migrant students

Schools will also be required to report attendance data for these same subgroups for the entire school population. Attendance data will not be collected by grade.

This new data collection will be tied to the MAEFAIRS enrollment data but will be

submitted through a different system than MAEFAIRS. Users will report the disaggregated data on a separate data entry screen (for those filing electronically) or a separate paper form (for those filing on paper).

In October 2004, the count date for disaggregated enrollment and attendance data will coincide with the MAEFAIRS enrollment count date. In the spring of 2005, the MAEFAIRS enrollment count date will continue to be February 1. The count date for disaggregated enrollment and attendance in the spring of 2005 will be the first day of the school's testing window for the MontCAS Phase II, the Measured Progress test.

The Office of Public Instruction plans to make sample formats of the disaggregated enrollment and attendance forms available to schools by April 2004. OPI staff will provide a demo of the system at the MASBO summer conference, June 16-18 in Great Falls. Information will also be made available at the School Budgeting and Accounting Workshops in July 2004. OPI Contact: Madalyn Quinlan, 444-3168, or mquinlan@state.mt.us.

- \$1,074 for grades 7-8 if the school runs an accredited 7-8 program or junior high
- \$1,074 for grades 9-12

Rates are set under MCA 20-5-323 based on 20% of the per-ANB rate for the year of attendance. Special education add-on rates are calculated under ARM 10.16.3818. Additional information on tuition in Montana is posted on the OPI web site at

www.opi.state.mt.us/schoolfinance/tuition.html.
OPI Contact: Mike Waterman (406) 444-4524 or mwaterman@state.mt.us

Training for New Clerks in April

The Montana Association of School Business Officials (MASBO) will hold a 2-day training session for new (and almost new) clerks in Helena on April 22 and 23, 2004. MASBO representatives will present numerous basic and advanced topics—payroll, elections, paying bills, and reconciling the accounts, to name a few. This session is vital for new clerks, and will provide useful information even for experienced clerks, county superintendents, county treasurers, and anyone else interested in school finance. To register, call Lynda Brannon at 442-5599 or email her at masbo@in-tch.com

Summer 2004 School Budgeting and Accounting Workshops

The School Budgeting & Accounting Workshops have been scheduled:

Wednesday, July 7	Kalispell
Thursday, July 8	Missoula
Friday, July 9	Butte
Tuesday, July 13	Sidney
Wednesday, July 14	Miles City
Thursday, July 15	Billings
Wednesday, July 21	Havre
Thursday, July 22	Great Falls

In case you missed it....



Elections Calendar for 2004 --

<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/2004ElectionCal.pdf>

Tuition Rates for FY 2004-05

The maximum regular education tuition rates for attendance during FY 2004-05 have changed since last year.

Rates will be:

- \$403 for Pre-K and Kindergarten
- \$806 for grades 1-8

Workshops run from 8:30-4:30 and focus on budgeting & accounting updates, including SB424 implementation. This year we will feature breakout sessions covering issues relating to small and large schools.

Watch your email for registration materials in mid-April. OPI Contact: Nica Carte at (406) 444-4401 or ncarte@state.mt.us.

FREE MAEFAIRS TRAINING

The Division of School Finance will offer MAEFAIRS training on Thursday, July 29, in Helena. This training is designed for school district personnel responsible for completing the TFS/Budget reports. For more information or to register, contact Nica Carte at (406) 444-4401 or email ncarte@state.mt.us.



Useful Websites

List of all Official OPI E-Mails:

<http://www.metnet.state.mt.us/OfficialMail>

Fill-In Forms Provided by

MASBO: Several fill-in forms (TR-1, TR-4, and grant cash request forms) are available on the MASBO website at <http://www.masbo.com>. Special thanks to MASBO's Roger Heimbigner, who developed the forms!

Reconciling with the County Treasurer (Excel Spreadsheet):
http://www.opi.state.mt.us/pdf/SchoolFinance/Balance_to_CoTreas_03_04.xls

OPI's GASB 34 Web Page:

<http://www.opi.state.mt.us/schoolfinance/gasb34.html>.

OPI's "Get Answers" searchable databases:

http://data.opi.state.mt.us/scripts/rightnow.cfg/php.exe/enduser/std_alp.php

Bus Safety and Driver Training Videos:

<http://www.opi.state.mt.us/pdf/pupiltransport/TrainingVideos.pdf>

School Finance forms and publications: <http://www.opi.state.mt.us/schoolfinance/forms.html>

FP-14 Student Attendance Agreement

<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/FP14.pdf>

FP-14A Special Tuition Rates (used with FP-14)

<http://www.opi.state.mt.us/PDF/SchoolFinance/Tuition/SpecTuitRates.pdf>

2004 Elections Calendar:

<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/2004ElectionCal.pdf>. Need more information about elections? Contact Mike Waterman at (406) 444-4524 or mwaterman@state.mt.us.

Budget Amendment Packet: OPI offers a packet of information about the budget amendment process for school districts:

<http://www.opi.state.mt.us/pdf/schoolfinance/forms/2002bapacket.pdf>

Montana Codes Annotated (MCA) Online:

<http://www.opi.state.mt.us/masterMCASearch.htm>

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